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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte MICHAEL WEISS and BABAK ESFANDIARI

Appeal 2009-001439
Application 09/768,129
Technology Center 3600

Decided: September 15, 2009

Before HUBERT C. LORIN, JOSEPH A. FISCHETTI, and BIBHU R. MOHANTY, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Michael Weiss, et al. (Appellants) seek our review under 35 U.S.C. § 134 of the final rejection of claims 1-17. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

SUMMARY OF DECISION

We REVERSE. [1]

THE INVENTION

The invention is a caching mechanism for storing the latest bids by one or more bidders for a given bidding context. The cache is updated using a notification mechanism. The cache can also be consulted by the bid manager for some bidders past the bidding deadline so that the bid manager does not lose a potentially good bid. Specification 2:18-22.

Claim 1, reproduced below, is illustrative of the subject matter on appeal.

> 1. A storage medium storing a set of program instructions executable on a data processing device and usable to optimize a bidding process for resources, the set of program instructions comprising:
>
> instructions for creating a bid manager agent for issuing a call for bids for usage of said resources, receiving said bids and selecting a best bid from among said bids, wherein each of said

[1] Our decision will make reference to the Appellants' Appeal Brief ("App. Br.," filed Nov. 20, 2007) and Reply Brief ("Reply Br.," filed Apr. 8, 2008), and the Examiner's Answer ("Answer," mailed Feb. 8, 2008).

bids defines a predetermined context;

instructions for creating a plurality of bidder agents for issuing said bids according to predetermined bidding policies in response to said call for bids, wherein one of said bidder agents issues said best bid and provides said resources upon selection of said best bid by said bid manager agent; and

instructions for creating a plurality of resource adapters for providing a uniform interface to access application program interfaces of said resources, one of said resource adapters being a caching adapter for maintaining cached bids for predetermined contexts from predetermined ones of said bidder agents, and for receiving from said bid manager agent said call for bids and issuing said cached bids to said bid manager agent instead of requiring said predetermined bidder agents to issue said bids, and a no-caching adapter for receiving from said bid manager agent said call for bids, re-issuing said call for bids to ones of said bidder agents other than said predetermined bidder gents, receiving said bids from said ones of said bidder agents other than said predetermined bidder agents and sending said bids to said bid manager agent.

THE REJECTION

The Examiner relies upon the following as evidence of unpatentability:

Johnson	US 6,005,925	Dec. 21, 1999
Baindur	US 6,073,176	Jun. 6, 2000
Kou	US 6,363,365	Mar. 26, 2002
Yee	US 6,738, 975	May 18, 2004

The following rejection is before us for review[2]:

1. Claims 1-17 are rejected under 35 U.S.C. §103(a) as being unpatentable over Johnson, Yee, Baindur and Kou.

ISSUES

The issues are:

1. Would one of ordinary skill in the art have been led by Johnson, Yee, Baindur and Kou to a storage medium storing a set of program instructions comprising instructions for creating a plurality of resource adapters where one adapter is a caching adapter and one is a non-caching adapter as recited in claim 1?
2. Would one of ordinary skill in the art have been led by Johnson, Yee, Baindur and Kou to a method of acquiring bids as recited in claim 8?
3. Would one of ordinary skill in the art have been led by Johnson, Yee, Baindur and Kou to an apparatus which includes a plurality of resource adapters including a caching adapter and a non-caching adapter as recited in claim 17?

FINDINGS OF FACT

We find that the following enumerated findings of fact (FF) are supported by at least a preponderance of the evidence. *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Office).

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[2] The Examiner withdrew the rejections under 35 U.S.C. § 112, 1st paragraph and 35 U.S.C. § 112, 2nd paragraph. Ans. 2-3.

The scope and content of the prior art

Johnson

1. Johnson describes a telecommunications system, in which switches route calls to carriers based on a bidding process administered by a bidding moderator. Col. 3, ll. 37-43.
2. Johnson describes the bidding moderator receiving bids from the carriers for each route segment the carrier wishes to place a bid for. Col. 13, ll. 57-61. *See also* col. 9, ll. 54-58.
3. Johnson describes the bidding moderator storing the bid in memory and processing the bids to determine carrier selection data for the switches. Col. 13, ll. 61-67.

Yee

4. Yee teaches using agent-adapter interfaces. Col. 27, ll. 13-15.

Baindur

5. Baindur describes a stack group bidding protocol which determines which member of a stack group will be allocated an event. Col. 2, ll. 39-55.
6. Baindur describes that every stack group member has a seed bid, which could be defined as a default bid. Col. 16, ll. 58-67.
7. Baindur describe that a stack group member sends a seed bid in response to a bid request. *See* Col. 17, ll. 30-34 and Fig. 13A.

Kou

8. The Examiner cited Kou to teach that a memory which stores bids is a cache memory. Answer 7.

Any differences between the claimed subject matter and the prior art

9. Johnson, Yee, Baindur, and Kou do not describe a caching adapter that issues cached bids to a bid manager agent instead of requiring a predetermined bidder agent to issue bids.

10. Johnson, Yee, Baindur, and Kou do not describe: 1) accessing a cache of stored bids and related contexts to determine whether said cache contains bids defining said predetermined context and 2) issuing a call for bids to said bidder agents in connection with which no bids defining said predetermined context are stored in said cache, in response to which said bidder agents return bids to said bid manager agent and said bids are stored in said cache along with said predetermined context.

The level of skill in the art

11. Neither the Examiner nor the Appellants have addressed the level of ordinary skill in the pertinent art of electronic bidding systems. We will therefore consider the cited prior art as representative of the level of ordinary skill in the art. *See Okajima v. Bourdeau,* 261 F.3d 1350, 1355 (Fed. Cir. 2001) ("[T]he absence of specific findings on the level of skill in the art does not give rise to reversible error 'where the prior art itself reflects an appropriate level and a need for testimony is not shown'") (Quoting *Litton Indus. Prods., Inc. v. Solid State Sys. Corp.*, 755 F.2d 158, 163 (Fed. Cir. 1985)).

Secondary considerations

12. There is no evidence on record of secondary considerations of non-obviousness for our consideration.

PRINCIPLES OF LAW

Obviousness

> Section 103 forbids issuance of a patent when 'the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

KSR Int'l Co. v. Teleflex Inc., 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, and (3) the level of skill in the art. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). *See also KSR*, 550 U.S. at 407 ("While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.") The Court in *Graham* further noted that evidence of secondary considerations "might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented." *Graham,* 383 U.S. at 17-18.

ANALYSIS

The rejection of claims 1-17 under §103(a) as being unpatentable over Johnson, Yee, Baindur and Kou.

Claims 1-7

The Appellants argues that one of ordinary skill in the art would not have been led by the combination of Johnson, Yee, Baindur, and Kou to the

storage medium recited in claim 1, which includes instructions for creating a plurality of resource adapters where one adapter is "a caching adapter for maintaining cached bids for predetermined contexts from predetermined ones of said bidder agents, and for receiving from said bid manager agent said call for bids and *issuing said cached bids to said bid manager agent instead of requiring said predetermined bidder agents to issue said bids*." App. Br. 12-15 and Reply Br. 4-6. (Emphasis added.)

The Examiner found that Johnson described a bid moderator (*i.e.* a bid manager) that issues call for bids to carriers (*i.e.* bidder agents) and stores the bid data in memory. Answer 4. The Examiner also found that Yee generally taught using resource adapters. Answer 5. However, the Examiner admitted that Johnson and Yee, when combined, did not describe resource adapter that is a caching adapter that issues cached bids to said bid manager agent instead of requiring said predetermined bidder agents to issue bids and cited Baindur's description of a seed bid, which could be a default bid, to teach this limitation. Answer 5-6. The Examiner argues that combination in the rejection only united old elements according to their established functions and yield predictable results. Answer 10.

The Supreme Court emphasized that "the principles laid down in *Graham* reaffirmed the 'functional approach' of *Hotchkiss*, 11 How. 248." *KSR*, 550 U.S. at 415. (citing *Graham*, 383 U.S. at 12 (emphasis added)), and reaffirmed principles based on its precedent that "[t]he combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results." *KSR*, 550 U.S. at 401, 416. The operative question in this "functional approach" is "whether the

improvement is more than the predictable use of prior art elements according to their established functions." *KSR*, 550 U.S. at 417.

Contrary to the Examiner's assertion, we find that claim 1 is more than the predictable use of the prior art elements of Johnson, Yee and Baindur according to their established functions. The combination of Johnson and Yee results in the bid moderator of Johnson having a resource adapter that stores bids in memory. Johnson describes that the bid moderator uses the stored bid to create carrier selection data, which is then transmitted to the switches. FF 3. Johnson does not describe the bid moderator issuing cached bids instead of requiring predetermined bidder agents to issue the bids. FF 9. Baindur's seed bids, which include default bids, cited by the Examiner are bids that the stack group member returns after receiving a call for bids. FF 6-7. These seed bids are not bids issued by a caching adapter and are not issued instead of requiring the stack group members (*i.e.* bidder agents) to issue bids. They are the bids issued by the stacked group member. FF 7.

We find that the Examiner has failed to establish a prima facie showing of obviousness in rejecting claim 1. Accordingly, we find that the Appellants have shown that the Examiner erred in rejecting claim 1, and claims 6-7, dependent thereon, under § 103(a) as unpatentable over Johnson, Yee, Baindur and Kou.

Claims 8-16

Claim 8 recites a method including the steps of "accessing a cache of stored bids and related contexts to determine whether said cache contains bids defining said predetermined context" and "issuing a call for bids to said

bidder agents in connection with which no bids defining said predetermined context are stored in said cache." The Examiner relies upon the rationale used in rejecting claim 1 to reject claim 8. Answer 10. As discusses above with regards to claim 1, we find that one of ordinary skill in the art would not have been led by the combination of Johnson, Yee, Baindur, and Kou to the steps of claim 8 above. FF 10.

Accordingly, we find that the Appellants have shown that the Examiner erred in rejecting claim 8, and claims 9-16 dependent thereon, under 35 U.S.C § 103(a) as unpatentable over Johnson, Yee, Baindur and Kou.

Claim 17

Claim 17 recites an apparatus that includes "a means for maintaining cached bids for predetermined contexts from predetermined ones of said bidder agents, receiving from said bid manager agent said call for bids and *issuing said cached bids to said bid manager agent instead of requiring said predetermined bidder agents to issue said bids*." The Examiner rejected claim 17 using the same rationale as applied to claim 1 (Answer 10), and the Appellants challenge the rejection of claim 17 for the same reasons as made to challenge the rejection of claim 1 (*see* App. Br. 18-21). Since we found the Appellants' arguments persuasive as to the rejection of claim 1, we find them equally persuasive as to the rejection of claim 17. Accordingly, we find that the Appellants have shown that the Examiner erred in rejecting claim 17 under § 103(a) as unpatentable over Johnson, Yee, Baindur and Kou.

CONCLUSIONS OF LAW

We conclude that the Appellants have shown that the Examiner erred in rejecting claims 1-17 under 35 U.S.C. § 103(a) as unpatentable over Johnson, Yee, Baindur and Kou.

DECISION

The decision of the Examiner to reject claims 1-17 is reversed.

REVERSED

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